

EXEMPTION REQUEST [§11003.4(b)]

RE 662 (Rev. 1/93)

DATE OF NOTICE

INSTRUCTIONS

- ✓ §11003.4(b) of the Business and Professions Code provides that Limited Equity Housing Cooperatives (LEHC) shall be exempt from all of the requirements pertaining to Stock Cooperatives per §11000 et seq., if the LEHC satisfies certain conditions. Please answer the following questions to determine if this provision applies to your LEHC.
- ✓ If you answer YES to *all* of the questions listed below, submit this form to: Department of Real Estate, P.O. Box 187005, Sacramento CA 95818-7005.

APPLICANT/PROJECT INFORMATION

NAME OF APPLICANT

TELEPHONE NUMBER

ADDRESS OF APPLICANT — STREET ADDRESS, CITY, STATE, ZIP CODE

NAME OF PROJECT

LOCATION OF PROJECT

ADDRESS OF PROJECT — STREET ADDRESS, CITY, COUNTY

EXEMPTION QUESTIONS

1. Is this project a LEHC that meets all of the requirements of §33007.5 of the Health and Safety Code? ☐ YES ☐ NO
- a. If you answered NO, this project is not a LEHC. It is not exempt from the provisions of the State Subdivided Lands Act and this request for exemption should not be filed.
- b. If you answered YES, submit a copy of the opinion of the attorney for the recipient of the financing or subsidy that the cooperative meets the requirements of §33007.5 and answer the remaining questions.
2. Is at least 50% of the total development cost of this project directly financed or subsidized by any of the agencies described in "2b", either alone or in combination with another agency? ☐ YES ☐ NO
- a. If you answered NO, your project is not qualified for exemption unless it is a project sold by the Department of Transportation for development by the cooperative and has a Regulatory Agreement with the Department of Housing and Community Development.
- b. If you answered YES, designate all agencies involved in the financing or subsidy of this project by checking the boxes:
- ☐ US Department of Housing and Urban Development
- ☐ Farmers Home Administration
- ☐ National Consumers Cooperative Bank
- ☐ California Housing Financing Agency
- ☐ State Department of Housing & Community Development
- ☐ City of _____
- ☐ County of _____
- ☐ _____ Redevelopment Agency
- c. If you answered NO to question 2 above, was the real property sold by the State Department of Transportation for development by the cooperative and is there a Regulatory Agreement, approved by the State Department of Housing and Community Development in effect? ☐ YES ☐ NO

1) If NO, this project does not qualify for an exemption from the State Subdivided Lands Act.

2) If YES, complete the remaining portion of this form.

3. Is 10% or less of the total development cost provided by purchasers of membership shares? ☐ YES ☐ NO

4. Has a Regulatory Agreement been duly executed between the recipient of the financing or subsidy and one of the Federal or State agencies described in "2b" which covers the cooperative for a term of at least as long as the duration of the financing or subsidy? ☐ YES ☐ NO

5. Does the Regulatory Agreement make provisions for at least all of the following:

a. Assurances for completion of all the common areas and facilities owned or leased by the Limited Equity Housing Cooperative, unless a construction agreement between the same parties contains written assurances for completion. ☐ YES ☐ NO

b. Governing instruments for the organization and operation of the housing cooperative by the members. ☐ YES ☐ NO

c. The ongoing fiscal management of the project by the cooperative which includes an adequate budget, reserve(s) and provisions for maintenance and management. ☐ YES ☐ NO

d. Distribution of a membership information report to any prospective purchaser of a membership share, prior to purchase. This report shall contain full disclosure of: financial obligations and responsibilities of cooperative membership, resale of shares, financing of the membership share accounts, occupancy restrictions, management arrangements and any other information pertinent to the benefits, risks or obligations of cooperative ownership. ☐ YES ☐ NO

6. Which Federal or State agency named in question "2b" executed the Regulatory Agreement? _____

7. Has this Federal or State agency confirmed that the Bylaws, Articles of Incorporation, Occupancy Agreement, Subscription Agreement, any lease of the regulated premises, any arrangement with partners, and arrangement for membership share accounts will provide adequate protection of the rights of cooperative members? ☐ YES ☐ NO

SIGNATURE OF APPLICANT



DATE

TITLE OF APPLICANT